

**The Internal Revenue Service Does Not Have  
Controls Over Manual Levies to Protect the  
Rights of Taxpayers**

**June 2003**

**Reference Number: 2003-40-129**

**This report has cleared the Treasury Inspector General for Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document.**



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

INSPECTOR GENERAL  
for TAX  
ADMINISTRATION

June 26, 2003

MEMORANDUM FOR COMMISSIONER, SMALL BUSINESS/SELF-EMPLOYED  
DIVISION

*Gordon C. Milbourn III*

FROM: Gordon C. Milbourn III  
Assistant Inspector General for Audit (Small Business and  
Corporate Programs)

SUBJECT: Final Audit Report - The Internal Revenue Service Does Not  
Have Controls Over Manual Levies to Protect the Rights of  
Taxpayers (Audit # 200240067)

This report presents the results of our review to determine whether the Internal Revenue Service (IRS) has complied with 26 United States Code (U.S.C.) Section (§) 6330, Notice and Opportunity for Hearing Before Levy.<sup>1</sup> The IRS Restructuring and Reform Act of 1998 (RRA 98)<sup>2</sup> requires the IRS to notify taxpayers at least 30 days before initiating any levy action to give taxpayers an opportunity to formally appeal the proposed levy. Specifically, we determined whether the IRS has sufficient controls in place to ensure that taxpayers are advised of their right to a hearing at least 30 days prior to levy action. This is the fifth annual report the Treasury Inspector General for Tax Administration (TIGTA) has issued in compliance with the RRA 98 to determine whether the IRS is complying with legal guidelines over the issuance of levies.

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<sup>1</sup> 26 U.S.C. § 6330 (Supp. IV 1998) as amended by the Trade Act of 2002, Pub. L. No. 107-210, 116 Stat. 933, the Job Creation and Worker Assistance Act of 2002, Pub. L. No. 107-147, 116 Stat. 21, the Victims of Terrorism Tax Relief Act of 2001, Pub. L. No. 107-134, 115 Stat. 2427 (2002), and the Community Renewal Tax Relief Act of 2000, Pub. L. No. 106-554, 114 Stat. 2763.

<sup>2</sup> IRS Restructuring and Reform Act of 1998 (RRA 98), Pub. L. No. 105-206, 112 Stat. 685 (codified as amended in scattered sections of 2 U.S.C., 5 U.S.C., 5 U.S.C. app., 16 U.S.C., 19 U.S.C., 22 U.S.C., 23 U.S.C., 26 U.S.C., 31 U.S.C., 38 U.S.C., and 49 U.S.C.).

Prior years' TIGTA reports<sup>3</sup> have recognized that the IRS has implemented tighter controls over the issuance of levies. This was due primarily to the development of systemic controls in both the Automated Collection System (ACS)<sup>4</sup> and the Integrated Collection System (ICS)<sup>5</sup> to prevent a levy from being generated unless there were at least 30 days between the date taxpayers received the notice of their appeal rights and the date of the proposed levy. However, last year's review did identify a flaw in the systemic control that could allow revenue officers to alter dates in the history section of the ICS. This type of change could circumvent the systemic control designed to protect the taxpayer's appeal rights. Accordingly, we recommended that the IRS strengthen the systemic control. During this year's review, we confirmed that the IRS had implemented our recommendation and that systemic controls are now effectively ensuring that taxpayers are informed of their appeal rights at least 30 days prior to receiving a systemically generated levy.

While the IRS has done an effective job of implementing controls over levies generated by the ACS and ICS, additional controls are needed over manual levies issued by revenue officers. Most levies are systemically generated by the ACS and ICS and are subjected to systemic controls embedded in the two systems. However, the ACS must issue manual levies in some circumstances. To protect the taxpayers' rights, all of these are reviewed and approved by managers prior to the levy being issued. Conversely, revenue officers are authorized to issue manual levies on any case. However, manual levies issued by revenue officers are not required to be reviewed and approved by a manager, which significantly increases the risk of taxpayers not having their appeal rights properly protected. As a result, we recommended that management review and approve all manual levies issued by revenue officers to ensure that taxpayers are properly advised of their rights.

Management's Response: While IRS management agreed that taxpayers' rights must be protected and indicated that they believe they are meeting that challenge, they did not agree with our recommendation to have group managers approve all manual levies prepared by revenue officers. They stated this may delay enforcement action and expressed concern about the impact on field employees that further increasing the oversight of enforcement action could have.

Alternatively, the IRS indicated that they believe the errors evidence a training issue. To help address these concerns and reinforce the procedures, the IRS will issue a memorandum in July 2003 reminding revenue officers that all notice requirements must be satisfied before issuing a manual levy. In addition, it will recommend the requirements be discussed during group meetings. A copy of management's complete response to the draft report is included as Appendix V.

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<sup>3</sup> *The Internal Revenue Service Has Improved Controls Over the Issuance of Levies, But More Should Be Done* (Reference Number 2002-40-176, dated September 2002); *The Internal Revenue Service Complied With Levy Requirements* (Reference Number 2001-10-113, dated July 2001); *The Internal Revenue Service Has Significantly Improved Its Compliance With Levy Requirements* (Reference Number 2000-10-150, dated September 2000).

<sup>4</sup> The ACS is a computerized case control system used to control and track certain cases in the Collection process.

<sup>5</sup> The ICS is a system used by Collection function employees to report taxpayer case time and activity.

Office of Audit Comment: We recognize the IRS' caution in implementing any managerial action that it believes may inhibit effective enforcement action by revenue officers. However, we also recognize the importance of the RRA 98 provision requiring that taxpayers be properly advised of their appeal rights prior to asset seizure through levy action. Hopefully, the IRS' intent to issue a memorandum reminding revenue officers that all notice requirements must be satisfied before a manual levy is issued will suffice to ensure taxpayer rights are adequately safeguarded. While we believe our recommendation is worthwhile, we do not intend to elevate our disagreement to the Secretary of the Treasury. However, we will continue to closely monitor this issue during future mandatory reviews of the IRS' collection activities.

Copies of this report are also being sent to the IRS managers who are affected by the report recommendation. Please contact me at (202) 622-6510 if you have questions or Michael R. Phillips, Assistant Inspector General for Audit (Wage and Investment Income Programs), at (202) 927-0597.

**The Internal Revenue Service Does Not Have Controls  
Over Manual Levies to Protect the Rights of Taxpayers**

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## **The Internal Revenue Service Does Not Have Controls Over Manual Levies to Protect the Rights of Taxpayers**

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### **Background**

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When taxpayers refuse to pay delinquent taxes, the Internal Revenue Service (IRS) has authority to work directly with financial institutions and other third parties to seize taxpayers' assets. This action is commonly referred to as a "levy." The IRS Restructuring and Reform Act of 1998 (RRA 98)<sup>1</sup> requires the IRS to notify taxpayers at least 30 days before initiating any levy action to give taxpayers an opportunity to formally appeal the proposed levy.

The RRA 98 also requires the Treasury Inspector General for Tax Administration (TIGTA) to annually verify that the IRS is complying with the new provisions. This is the fifth year that the TIGTA has evaluated the controls over levies.

Two operations within the IRS issue levies to collect delinquent taxes:

- The Automated Collection System (ACS), where customer service representatives contact delinquent taxpayers by telephone to collect unpaid taxes and secure tax returns.
- The Collection Field function (CFf), where revenue officers contact delinquent taxpayers in person as the final step in the collection process. Field contact becomes necessary when the tax matter is not resolved by the ACS. Delinquent cases that are assigned to revenue officers in IRS field offices are controlled and monitored with the Integrated Collection System (ICS).

Both operations issue two types of levies: systemically generated levies and manual levies.

Previous TIGTA reviews have recognized that the IRS has significantly improved controls over the issuance of

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<sup>1</sup> IRS Restructuring and Reform Act of 1998 (RRA 98), Pub. L. No. 105-206, 112 Stat. 685 (codified as amended in scattered sections of 2 U.S.C., 5 U.S.C., 5 U.S.C. app., 16 U.S.C., 19 U.S.C., 22 U.S.C., 23 U.S.C., 26 U.S.C., 31 U.S.C., 38 U.S.C., and 49 U.S.C.).

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systemically generated levies.<sup>2</sup> However, last year's review did identify a flaw in the systemic control that could allow revenue officers to alter dates in the history section of the ICS. This type of change could circumvent the systemic control designed to protect the taxpayer's appeal rights. Accordingly, we recommended that the IRS strengthen the systemic control. During this year's review, we confirmed that the IRS had implemented our recommendation and that systemic controls are now effectively ensuring that taxpayers are informed of their appeal rights at least 30 days prior to receiving a systemically generated levy.

We performed this audit in the Small Business/Self-Employed (SB/SE) and the Wage and Investment (W&I) Divisions of the IRS from October 2002 to March 2003. The audit was conducted in accordance with *Government Auditing Standards*. Detailed information on our audit objective, scope, and methodology is presented in Appendix I. Major contributors to the report are listed in Appendix II.

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### **The Internal Revenue Service Has Controls Over Systemic Levies to Protect Taxpayers' Appeal Rights**

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#### **ACS systemic controls ensure that taxpayers receive timely notification of their appeal rights**

The first step in the collection process involves mailing taxpayers a series of notices asking for payment of delinquent taxes. If taxpayers do not comply, the majority of the accounts are forwarded to 1 of the 14 ACS Call Centers where customer service representatives contact taxpayers by telephone to resolve their accounts. If accounts cannot be resolved over the telephone, and if sufficient information is available, the ACS Call Center has the authority to issue levies to collect the accounts from third-party sources.

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<sup>2</sup> *The Internal Revenue Service Has Improved Controls Over the Issuance of Levies, But More Should Be Done* (Reference Number 2002-40-176, dated September 2002); *The Internal Revenue Service Complied With Levy Requirements* (Reference Number 2001-10-113, dated July 2001); *The Internal Revenue Service Has Significantly Improved Its Compliance With Levy Requirements* (Reference Number 2000-10-150, dated September 2000).

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Virtually all levies issued by ACS Call Centers are generated through an automated system. This automated system contains a control, developed to comply with the RRA 98, that compares the date the taxpayer was notified of the pending levy with the date requested for the actual levy. If there are fewer than 30 days between the dates, the system will not generate a levy. This control effectively ensures that taxpayers have been notified at least 30 days prior to the levy and have been informed of their appeal rights for any systemically generated levy.

We tested the effectiveness of the systemic control by reviewing a random sample of 20 ACS cases containing levies issued during 2002. All 20 taxpayers had been timely notified of their appeal rights. During fieldwork, we also tested the control by requesting a levy on a live case for which less than 30 days had elapsed since the final notice date. The system would not issue the levy. Based on these results, we concluded that the systemic controls in the ACS Call Centers effectively protect taxpayers' appeal rights.

### **ICS systemic controls ensure that taxpayers receive timely notification of their appeal rights**

Many times, notices and telephone calls to taxpayers do not successfully resolve delinquent accounts, and cases have to be assigned to revenue officers in CFF offices for face-to-face contact with taxpayers. Cases assigned to revenue officers are controlled on the ICS. Revenue officers use the ICS to record collection activity on delinquent cases and generate certain enforcement actions such as levies. Again, revenue officers must give taxpayers 30 days notice and advise taxpayers of their appeal rights before initiating any levy.

The IRS installed a control in the ICS similar to the control in the ACS that prevents a levy from being issued without taxpayers having received 30 days notice and their appeal rights. If fewer than 30 days have elapsed since the final notice date, the system will not generate a levy.

We tested the effectiveness of the systemic control by reviewing a random sample of 20 ICS cases containing levies issued during 2002. All 20 of the taxpayers had

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received notification of their appeal rights at least 30 days prior to the levy. Next, we tested the control by attempting to generate a levy on a live case for which less than 30 days had elapsed since the final notice date. Systemic controls within the ICS prevented the levy from being generated. Finally, we tested the systemic control by attempting to alter critical dates in the ICS history section. We could not alter the dates to generate the levy. As a result, we concluded that the systemic controls over levies issued by revenue officers in CFF offices functioned as designed and ensured taxpayers' appeal rights are protected.

While the IRS has done an effective job of implementing controls over levies generated by the ACS and the ICS, additional controls are needed over manual levies issued by revenue officers.

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### **Manual Levies Issued by Revenue Officers Are Not Controlled or Monitored to Protect Taxpayers' Appeal Rights**

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The second type of levy that both ACS employees and revenue officers can issue is the manual levy. That is, the levy is issued outside the automated processes within the ACS and ICS and is not subject to the systemic controls.

Although the ACS Call Centers primarily issue levies systemically, ACS employees must issue manual levies under circumstances such as jeopardy situations<sup>3</sup> and levies on individual retirement accounts. All manual levies issued by the ACS Call Centers must be reviewed and approved by a manager prior to the levy being issued. We consider this managerial review to be an effective control.

Revenue officers issue levies systemically through the ICS in virtually all cases. However, revenue officers are also authorized to issue a manual levy on any case. The difference is that manual levies issued by revenue officers are not required to be reviewed and approved by a manager. We believe there is a high risk associated with these manual levies because the IRS has not implemented any controls to ensure that taxpayers' appeal rights are protected as required by the RRA 98.

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<sup>3</sup> A "jeopardy situation" occurs when the IRS is concerned that the taxpayer may attempt to hide or dispose of assets to prevent enforced collection actions.

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The IRS does not specifically track manual levies, so we were unable to determine the number of manual levies that were issued by revenue officers. However, we believe that revenue officers issued relatively few of them.

We analyzed (using computerized queries) the ICS case inventory<sup>4</sup> of delinquent taxpayers assigned to revenue officers and attempted to identify any manual levies issued during the 20-month period January 2001 through August 2002. Our analysis identified 114 instances of revenue officers issuing manual levies. Further analysis of these 114 taxpayer cases showed that revenue officers improperly issued manual levies to seize the assets of 8 taxpayers who had not been notified of their appeal rights. Because manual levies issued by revenue officers are not subject to either the systemic controls built into the ICS or any other control such as managerial review and approval, these eight taxpayers were denied the appeal rights required by the RRA 98.

Not offering appeal rights to taxpayers prior to issuing levies is a potential Section 1203 violation<sup>5</sup> of the RRA 98 and could result in the revenue officers being terminated for misconduct. Accordingly, we have referred the cases to the TIGTA Office of Investigations for further evaluation.

### **Recommendation**

1. The Commissioner, SB/SE Division, should develop and implement controls over manual levies issued by revenue officers working in IRS field offices to ensure that taxpayers are properly offered their appeal rights. At a minimum, the SB/SE Division should implement the same policy that is in effect in ACS Call Centers (i.e., manual levies should be reviewed and approved by a manager).

Management's Response: IRS management stated that they believe the recommendation is too burdensome given the

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<sup>4</sup> Case inventory as of August 29, 2002.

<sup>5</sup> Section 1203, IRS Personnel Flexibilities (termination of employment for misconduct).

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purpose of a manual levy. They acknowledged that they issued a levy before notifying the taxpayers of their rights in the eight cases we identified. However, IRS management pointed out that the taxpayers still have a right to a hearing. In addition, they stated that after being levied, all taxpayers can use the Collection Appeals Program to appeal a levy.

While the IRS management agreed that taxpayers' rights must be protected, they did not agree with our recommendation to have group managers approve all manual levies prepared by revenue officers. They indicated they believe this may delay enforcement action and expressed concern about the impact on field employees that further increasing the oversight of enforcement action could have.

Alternatively, the IRS stated they believe that the errors evidence a training issue. To help address these concerns and reinforce the procedures, the IRS will issue a memorandum in July 2003 reminding revenue officers that all notice requirements must be satisfied before issuing a manual levy. In addition, it will recommend the requirements be discussed during group meetings.

Office of Audit Comment: We recognize the IRS' caution in implementing any managerial action that it believes may inhibit effective enforcement action by revenue officers. However, we also recognize the importance of the RRA 98 provision requiring that taxpayers be properly advised of their appeal rights prior to asset seizure through levy action. Hopefully, the IRS' intent to issue a memorandum reminding revenue officers that all notice requirements must be satisfied before a manual levy is issued will suffice to ensure taxpayer rights are adequately safeguarded. We will continue to closely monitor this issue during future mandatory reviews of the IRS' collection activities.

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## **Appendix I**

### **Detailed Objective, Scope, and Methodology**

The overall objective of this audit was to determine whether the Internal Revenue Service (IRS) has complied with 26 United States Code (U.S.C.) Section (§) 6330, Notice and Opportunity for Hearing Before Levy.<sup>1</sup> Specifically, we determined whether the IRS had sufficient controls in place to ensure that taxpayers were advised of their right to a hearing at least 30 days prior to any levy action. We performed the following tests to accomplish this objective:

- I. Determined whether the IRS implemented sufficient controls and procedures to ensure that taxpayers were advised of their right to a hearing at least 30 days prior to any levy action.
  - A. Performed a walk-through of one Automated Collection System (ACS)<sup>2</sup> Call Center and one Collection Field function office to evaluate procedures and controls over due process notices.
  - B. Confirmed during the walk-through whether systemic controls in the ACS and the Integrated Collection Systems (ICS)<sup>3</sup> prevented levies from being issued less than 30 days from the final notice date.
  - C. Selected a random sample of 20 ACS and 20 ICS levies issued during 2002 and analyzed Master File<sup>4</sup> transcripts, ACS records, and ICS records to verify that taxpayers were advised of their right to a hearing at least 30 days prior to any levy action. The sample of 20 ACS cases we reviewed was randomly selected from a population of 870,126 cases containing levies that were on the ACS open case database as of December 2002. The sample of 20 ICS cases we reviewed was randomly selected from a population of 128,372 cases containing levies that were either open on the ICS database as of December 2002 or closed within the prior 6 months.
- II. Determined whether manual levies issued by revenue officers in IRS field offices complied with legal guidelines in 26 U.S.C. § 6330.

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<sup>1</sup> 26 U.S.C. § 6330 (Supp. IV 1998) *as amended by* the Trade Act of 2002, Pub. L. No. 107-210, 116 Stat. 933, the Job Creation and Worker Assistance Act of 2002, Pub. L. No. 107-147, 116 Stat. 21, the Victims of Terrorism Tax Relief Act of 2001, Pub. L. No. 107-134, 115 Stat. 2427 (2002), and the Community Renewal Tax Relief Act of 2000, Pub. L. No. 106-554, 114 Stat. 2763.

<sup>2</sup> The ACS is a computerized case control system used to control and track certain cases in the Collection process.

<sup>3</sup> The ICS is a system used by Collection function employees to report taxpayer case time and activity.

<sup>4</sup> The IRS' database that stores various types of taxpayer account information. This database includes individual, business, and employee plans and exempt organization data.

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- A. Analyzed the ICS database containing delinquent accounts assigned to revenue officers working in field offices and identified 114 manual levies issued from January 2001 through August 2002.
- B. Reviewed Master File transcripts and ICS records for the 114 manual levies identified to verify that taxpayers were advised of their right to a hearing at least 30 days prior to levy action.

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**Appendix II**

**Major Contributors to This Report**

Michael R. Phillips, Assistant Inspector General for Audit (Wage and Investment Income Programs)

Gary Young, Acting Director

Stephen Root, Audit Manager

Tom Cypert, Senior Auditor

Charles Ekunwe, Senior Auditor

Cari Fogle, Senior Auditor

Albert Greer, Auditor

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**Appendix III**

**Report Distribution List**

Commissioner N:C  
Deputy Commissioner for Services and Enforcement N:DC  
Commissioner, Wage and Investment Division W  
Deputy Commissioner, Small Business/Self-Employed Division S  
Deputy Commissioner, Wage and Investment Division W  
Director, Compliance S:C  
Director, Compliance W:CP  
Director, Strategy and Finance W:S  
Chief Counsel CC  
National Taxpayer Advocate TA  
Director, Legislative Affairs CL:LA  
Director, Office of Program Evaluation and Risk Analysis N:ADC:R:O  
Office of Management Controls N:CFO:AR:M  
Audit Liaisons:  
    Chief, Customer Liaison S:COM  
    Program/Process Assistant Coordinator, Wage and Investment Division W:HR

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### **Appendix IV**

#### **Outcome Measures**

This appendix presents detailed information on the measurable impact that our recommended corrective action will have on tax administration. This benefit will be incorporated into our Semiannual Report to the Congress.

##### Type and Value of Outcome Measure:

- Taxpayer Rights and Entitlements – Actual; 8 taxpayers did not receive notice of their appeal rights before the Internal Revenue Service (IRS) took levy action (see page 4).

##### Methodology Used to Measure the Reported Benefit:

We analyzed (using computerized queries) the Integrated Collection System (ICS)<sup>1</sup> case inventory of delinquent taxpayers assigned to revenue officers and identified 114 manual levies issued from January 2001 through August 2002. Since the IRS does not monitor or record the use of manual levies, we were unable to determine the total number of manual levies actually issued by revenue officers working in field offices. Since the population of manual levies is unknown, the findings of our case review are not statistically valid and cannot be projected.

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<sup>1</sup> The ICS is a system used by Collection function employees to report taxpayer case time and activity.

# The Internal Revenue Service Does Not Have Controls Over Manual Levies to Protect the Rights of Taxpayers

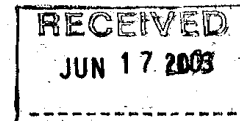
Appendix V

## Management's Response to the Draft Report



COMMISSIONER  
SMALL BUSINESS/Self-EMPLOYED DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224



JUN 13 2003

### MEMORANDUM FOR TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

FROM: Dale F. Hart *Dale Hart by MS*  
Commissioner Small Business/Self-Employed Division

SUBJECT: Draft Audit Report – The Internal Revenue Service Does Not  
Have Controls Over Manual Levies to Protect the Rights of  
Taxpayers (Audit # 200240067)

I reviewed your report and appreciate your recognition of the effective systemic controls we have in place to ensure we inform taxpayers of their appeal rights. However, I do not agree with your recommendation to have group managers approve all manual levies prepared by revenue officers for various reasons.

First, I agree that taxpayers' rights must be protected and feel that we are meeting that challenge. As your report accurately reflects, for the eighteen (18) month period covered by the review, only 114 manual levies were found to be prepared. Of those 114, only eight (8) were issued without proper notification and we will attempt to eliminate these errors through specific efforts addressed below.

Secondly, the revenue officer may have to take prompt enforcement when their manager is not available to review the case and approve the levy. This delays case action and may discourage the revenue officer from taking appropriate enforcement action. Or, the Integrated Collection System (ICS) may be "down" when the revenue officer has to issue a levy. If ICS was available, the revenue officer would not have to secure managerial approval. However, if ICS was not available and a manual levy was to be issued, approval would be required. Again, this would delay enforcement action.

The eight (8) errors noted in your report involved seven (7) revenue officers. After our review of the case histories, we find that the errors evidence a training problem. The revenue officers' case history documentation was not thorough enough to determine if the revenue officers had followed our procedural guidelines, which clearly direct them to ensure taxpayers are properly offered their appeal rights.

I am also concerned about the impact on field employees that further increasing the oversight of enforcement action could have. Many revenue officers are reluctant to take appropriate enforcement action in the wake of RRA 98. Requiring group manager

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approval for manual levies communicates an underlying lack of confidence in the ability of field personnel to apply their judgment in making decisions to take enforcement action appropriately. Revenue officers, as professional employees do not need the additional supervision provided to Automated Collection System (ACS) caseworkers. We do not want to communicate a lack of confidence in the entire revenue officer population based on a few training errors.

To help address these concerns and reinforce the procedures, we will issue a memorandum in July 2003 reminding revenue officers that all notice requirements must be satisfied before issuing a manual levy. In addition, we will recommend the requirements be discussed during group meetings. As noted in your report, we have already included a check in our Collection Quality Management System (CQMS) for protecting taxpayer rights on manual levies. This independent review process, CQMS, verifies we have properly advised the taxpayers of their rights.

I agree with your outcome measures on taxpayer's rights and entitlements for the eight (8) errors cited in your report. We reviewed these eight (8) errors and agreed to them before your report was issued.

Our comments on the recommendations in this report are as follows:

### **RECOMMENDATION**

The Commissioner, Small Business/Self Employed Division (SB/SE), should develop and implement controls over manual levies issued by revenue officers working in IRS field offices to ensure that taxpayers are properly offered their appeal rights. At a minimum, the SB/SE Division should implement the same policy that is in effect in ACS Call Centers – i.e., manual levies should be reviewed and approved by a manager.

### **CORRECTIVE ACTIONS**

I believe the recommendation is too burdensome given the purpose of a manual levy. Your review of revenue officer-issued levies, over an eighteen (18) month period, identified 114 levies. In eight (8) of those cases, we issued a levy before notifying the taxpayers of their rights. However, the taxpayers still have a right to a hearing. In addition, after being levied, all taxpayers can use the Collection Appeals Program (CAP) to appeal a levy. The TIGTA Office of Audit referred these eight (8) cases to their Office of Investigations for further evaluation.

If you have any questions, please contact me at (202) 622-0600 or Joseph R. Brimacombe, Deputy Director, Compliance Policy, Small Business/Self-Employed Division at (202) 283-2200.